

Department of Energy

Grand Junction Area Office
Post Office Box 2567
Grand Junction, Colorado 81502

May 29, 1984

Mr. George Warnock, President Todilto Exploration & Development Corp. 3810 Academy Parkway South N.E. Albuquerque, NM 87109

Dear Mr. Warnock:

Your letter of February 17, 1984, requesting renewal of your lease and relief from the advanced annual royalty has been reviewed and the renewal forms have been forwarded to you.

The same considerations and circumstances which justified the waiver of prepaid royalties last year still persist and you are hereby notified that relief from this payment has been granted for the lease year June 12, 1984, to June 12, 1985.

This decision to forgive the advance royalty applies only to the current payment due June 12, 1984, and the determination effecting future payments will be made on a year to year basis depending on existing conditions.

Very truly yours,

George R. Grandbouche Contracting Officer's Representative

bcc: BFEC Mining Div.

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